

Label (See instructions on page 14.) Use the IRS label. Otherwise, please print or type. Presidential Election Campaign	LABEL HERE	For the year Jan. 1-Dec. 31, 2008, or other tax year beginning _____, 2008, ending _____, 20		OMB No. 1545-0074	
		Your first name and initial RAFAEL E		Last name CRUZ	Your social security number [REDACTED]
		If a joint return, spouse's first name and initial HEIDI S		Last name CRUZ	Spouse's social security number [REDACTED]
		Home address (number and street). If you have a P.O. box, see page 14. 3900 BONNELL DRIVE		Apt. no.	You must enter ▲ your SSN(s) above.▲
		City, town or post office, state, and ZIP code. If you have a foreign address, see page 14. AUSTIN, TX 78703			

Election Campaign Check here if you, or your spouse if filing jointly, want \$3 to go to this fund (see page 14) ☒ **You** ☒ **Spouse**

Filing Status

1 ☐ Single

2 ☒ Married filing jointly (even if only one had income)

3 ☐ Married filing separately. Enter spouse's SSN above _____ and full name here. ▶ _____

4 ☐ Head of household (with qualifying person). If the qualifying person is a child but not your dependent, enter this child's name here. ▶ _____

5 ☐ Qualifying widow(er) with dependent child (see page 16)

Exemptions

6a ☒ **Yourself.** If someone can claim you as a dependent, do not check box 6a

b ☒ **Spouse**

c Dependents:		(2) Dependent's social security number	(3) Dependent's relationship to you	(4) If qualifying child for child tax credit (see page 17)
(1) First name	Last name			

Boxes checked on 6a and 6b **2**

No. of children on 6c who:
 • lived with you _____
 • did not live with you due to divorce or separation (see page 18) _____

Dependents on 6c not entered above _____

Add numbers on lines above **2**

d Total number of exemptions claimed **2**

Income

7 Wages, salaries, tips, etc. Attach Form(s) W-2 **7 368,040.**

8a Taxable interest. Attach Schedule B if required **8a 827.**

b Tax-exempt interest. Do not include on line 8a **8b 4,717.**

9a Ordinary dividends. Attach Schedule B if required **9a 2,954.**

b Qualified dividends (see page 21) **9b 2,897.**

10 Taxable refunds, credits, or offsets of state and local income taxes

11 Alimony received

12 Business income or (loss). Attach Schedule C or C-EZ

13 Capital gain or (loss). Attach Schedule D if required. If not required, check here ☐ **13 <3,000.>**

14 Other gains or (losses). Attach Form 4797

15a IRA distributions **15a** **b Taxable amount 15b**

16a Pensions and annuities **16a** **b Taxable amount 16b**

17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E **17 431,163.**

18 Farm income or (loss). Attach Schedule F

19 Unemployment compensation

20a Social security benefits **20a** **b Taxable amount (see page 26) 20b**

21 Other income. List type and amount (see page 28)
SEE STATEMENT 1 **21 3,566.**

22 Add the amounts in the far right column for lines 7 through 21. This is your **total income** **22 803,550.**

Adjusted Gross Income

23 Educator expenses (see page 28) **23**

24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ **24**

25 Health savings account deduction. Attach Form 8889 **25**

26 Moving expenses. Attach Form 3903 **26**

27 One-half of self-employment tax. Attach Schedule SE **27 7,852.**

28 Self-employed SEP, SIMPLE, and qualified plans **28 15,500.**

29 Self-employed health insurance deduction (see page 29) **29**

30 Penalty on early withdrawal of savings **30**

31a Alimony paid **b Recipient's SSN** **31a**

32 IRA deduction (see page 30) **32**

33 Student loan interest deduction (see page 33) **STMT 4** **33**

34 Tuition and fees deduction. Attach Form 8917 **34**

35 Domestic production activities deduction. Attach Form 8903 **35**

36 Add lines 23 through 31a and 32 through 35 **36 23,352.**

37 Subtract line 36 from line 22. This is your **adjusted gross income** **37 780,198.**

Tax and Credits

Standard Deduction for -

• People who checked any box on line 39a, 39b, or 39c or who can be claimed as a dependent.

• All others:

Single or Married filing separately, \$5,450

Married filing jointly or Qualifying widow(er), \$10,900

Head of household, \$8,000

38	Amount from line 37 (adjusted gross income)	38	780,198.
39a	Check <input type="checkbox"/> You were born before January 2, 1944, <input type="checkbox"/> Blind. <input type="checkbox"/> Spouse was born before January 2, 1944, <input type="checkbox"/> Blind. Total boxes checked 39a <input type="checkbox"/>		
	if: <input type="checkbox"/> b If your spouse itemizes on a separate return or you were a dual-status alien, see page 34 and check here 39b <input type="checkbox"/>		
	<input type="checkbox"/> c Check if standard deduction includes real estate taxes or disaster loss (see page 34) 39c <input type="checkbox"/>		
40	Itemized deductions (from Schedule A) or your standard deduction (see left margin)	40	116,719.
41	Subtract line 40 from line 38	41	663,479.
42	If line 38 is over \$119,975, or you provided housing to a Midwestern displaced individual, see page 36. Otherwise, multiply \$3,500 by the total number of exemptions claimed on line 6d	42	4,666.
43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43	658,813.
44	Tax. Check if any tax is from: a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 4972	44	201,581.
45	Alternative minimum tax. Attach Form 6251	45	0.
46	Add lines 44 and 45	46	201,581.
47	Foreign tax credit. Attach Form 1116 if required	47	
48	Credit for child and dependent care expenses. Attach Form 2441	48	
49	Credit for the elderly or the disabled. Attach Schedule R	49	
50	Education credits. Attach Form 8863	50	
51	Retirement savings contributions credit. Attach Form 8880	51	
52	Child tax credit (see page 42). Attach Form 8901 if required	52	
53	Credits from Form: a <input type="checkbox"/> 8396 b <input type="checkbox"/> 8839 c <input type="checkbox"/> 5695	53	
54	Other credits from Form: a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/>	54	
55	Add lines 47 through 54. These are your total credits	55	
56	Subtract line 55 from line 46. If line 55 is more than line 46, enter -0-	56	201,581.

Other Taxes

57	Self-employment tax. Attach Schedule SE	57	15,703.
58	Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919	58	
59	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	59	
60	Additional taxes: a <input type="checkbox"/> AEIC payments b <input checked="" type="checkbox"/> Household employment taxes. Attach Schedule H	60	6,698.
61	Add lines 56 through 60. This is your total tax	61	223,982.

Payments

If you have a qualifying child, attach Schedule EIC.

62	Federal income tax withheld from Forms W-2 and 1099	62	86,654.
63	2008 estimated tax payments and amount applied from 2007 return	63	27,947.
64a	Earned income credit (EIC)	64a	
	b Nontaxable combat pay election 64b		
65	Excess social security and tier 1 RRTA tax withheld (see page 61)	65	
66	Additional child tax credit. Attach Form 8812	66	
67	Amount paid with request for extension to file (see page 61)	67	122,000.
68	Credits from Form: a <input type="checkbox"/> 2439 b <input type="checkbox"/> 4136 c <input type="checkbox"/> 8801 d <input type="checkbox"/> 8885	68	
69	First-time homebuyer credit. Attach Form 5405	69	
70	Recovery rebate credit (see worksheet on pages 62 and 63)	70	
71	Add lines 62 through 70. These are your total payments	71	236,601.

Refund

Direct deposit? See page 63 and fill in 73b, 73c, and 73d, or Form 8888.

72	If line 71 is more than line 61, subtract line 61 from line 71. This is the amount you overpaid	72	12,491.
73a	Amount of line 72 you want refunded to you. If Form 8888 is attached, check here <input type="checkbox"/>	73a	
	b Routing number <input type="checkbox"/> c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings <input type="checkbox"/> Account number <input type="checkbox"/>		
74	Amount of line 72 you want applied to your 2009 estimated tax	74	12,491.

Amount You Owe

75	Amount you owe. Subtract line 71 from line 61. For details on how to pay, see page 65	75	
76	Estimated tax penalty (see page 65)	76	128.

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 66)? ☒ Yes. Complete the following. ☐ No

Designee's name PREPARER	Phone no. ATTORNEY	Personal identification number (PIN)
---------------------------------	---------------------------	--------------------------------------

Sign Here

Joint return? See page 15. Keep a copy for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature	Date	Your occupation	Daytime phone number
PREPARER		ATTORNEY	
Spouse's signature. If a joint return, both must sign.	Date	Spouse's occupation	
		DIRECTOR	

Paid**Preparer's Use Only**

Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN
Firm's name (or yours if self-employed), address, and ZIP code	EIN	Phone no.	
MEADOR & JONES, LLP	2414 EXPOSITION BLVD, SUITE BC-230		
AUSTIN, TX 78703			

SCHEDULES A&B
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)
Name(s) shown on Form 1040

Schedule A - Itemized Deductions
(Schedule B is on page 2)

▶ **Attach to Form 1040.** ▶ **See Instructions for Schedules A&B (Form 1040).**

OMB No. 1545-0074

2008
Attachment
Sequence No. **07**

Your social security number

RAFAEL E & HEIDI S CRUZ

Medical and Dental Expenses	Caution. Do not include expenses reimbursed or paid by others.		
1	Medical and dental expenses (see page A-1)	1	
2	Enter amount from Form 1040, line 38	2	
3	Multiply line 2 by 7.5% (.075)	3	
4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-	4	
Taxes You Paid (See page A-2.)	5 State and local (check only one box):	5	22,744.
	a <input type="checkbox"/> Income taxes, or		
	b <input checked="" type="checkbox"/> General sales taxes	6	37,800.
	6 Real estate taxes (see page A-5)	7	
	7 Personal property taxes	8	
	8 Other taxes. List type and amount		
	9 Add lines 5 through 8	9	60,544.
Interest You Paid (See page A-5.)	10 Home mortgage interest and points reported to you on Form 1098	10	57,187.
	11 Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see page A-6 and show that person's name, identifying no., and address	11	
Note. Personal interest is not deductible.	12 Points not reported to you on Form 1098	12	
	13 Qualified mortgage insurance premiums (See page A-6)	13	
	14 Investment interest. Attach Form 4952 if required. (See page A-6.)	14	
	15 Add lines 10 through 14	15	57,187.
Gifts to Charity If you made a gift and got a benefit for it, see page A-7.	16 Gifts by cash or check SEE STATEMENT 7	16	5,190.
	17 Other than by cash or check. If any gift of \$250 or more, see page A-8. You must attach Form 8283 if over \$500	17	
	18 Carryover from prior year	18	
	19 Add lines 16 through 18	19	5,190.
Casualty and Theft Losses	20 Casualty or theft loss(es). Attach Form 4684. (See page A-8.)	20	
Job Expenses and Certain Miscellaneous Deductions (See page A-9.)	21 Unreimbursed employee expenses - job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See page A-9.)	21	6,534.
	FROM FORM 2106 2,598.	22	100.
	FROM FORM 2106 3,936.	23	
	22 Tax preparation fees	24	6,634.
	23 Other expenses - investment, safe deposit box, etc. List type and amount	25	780,198.
	24 Add lines 21 through 23	26	15,604.
	25 Enter amount from Form 1040, line 38	27	0.
	26 Multiply line 25 by 2% (.02)		
	27 Subtract line 26 from line 24. If line 26 is more than line 24, enter -0-		
Other Miscellaneous Deductions	28 Other - from list on page A-10. List type and amount	28	
Total Itemized Deductions	29 Is Form 1040, line 38, over \$159,950 (over \$79,975 if married filing separately)?	29	116,719.
	<input type="checkbox"/> No. Your deduction is not limited. Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40.		
	<input checked="" type="checkbox"/> Yes. Your deduction may be limited. See page A-10 for the amount to enter.		
	30 If you elect to itemize deductions even though they are less than your standard deduction, check here		

Name(s) shown on Form 1040. Do not enter name and social security number if shown on page 1.

Your social security number

RAFAEL E & HEIDI S CRUZ**Schedule B - Interest and Ordinary Dividends**Attachment
Sequence No. **08****Part I
Interest**

- 1 List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see page B-1 and list this interest first. Also, show that buyer's social security number and address ►

BANK OF AMERICA**GOLDMAN SACHS****UNIVERSITY FEDERAL CREDIT UNION**

Note. If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.

Amount

391.

5,060.

93.

1**SUBTOTAL FOR LINE 1**

5,544.

TAX-EXEMPT INTEREST**SEE STATEMENT 9**

<4,717.>

- 2 Add the amounts on line 1

2

827.

- 3 Excludable interest on series EE and I U.S. savings bonds issued after 1989.

3

Attach Form 8815

- 4 Subtract line 3 from line 2. Enter the result here and on Form 1040, line 8a ►

4

827.

Note. If line 4 is over \$1,500, you must complete Part III.

**Part II
Ordinary
Dividends**

- 5 List name of payer ►

GOLDMAN SACHS**PUTNAM INVESTMENTS****Amount**

2,897.

57.

5

Note: If you received a Form 1099-DIV or substitute statement from a brokerage firm, list the firm's name as the payer and enter the ordinary dividends shown on that form.

- 6 Add the amounts on line 5. Enter the total here and on Form 1040, line 9a ►

6

2,954.

Note. If line 6 is over \$1,500, you must complete Part III.

**Part III
Foreign
Accounts
and
Trusts**

You must complete this part if you (a) had over \$1,500 of taxable interest or ordinary dividends; or (b) had a foreign account; or (c) received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

Yes**No**

- 7a At any time during 2008, did you have an interest in or a signature or other authority over a financial account in a foreign country, such as a bank account, securities account, or other financial account? See page B-2 for exceptions and filing requirements for Form TD F 90-22.1

X

- b If "Yes," enter the name of the foreign country ►

- 8 During 2008, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust?

X

If "Yes," you may have to file Form 3520. See page B-2

827501
11-11-08

LHA For Paperwork Reduction Act Notice, see Form 1040 instructions.

Schedule B (Form 1040) 2008

11

11490111 786859 CRUZ

2008.05020 CRUZ, RAFAEL E

CRUZ 1

**SCHEDULE D
(Form 1040)**

Department of the Treasury
Internal Revenue Service (99)
Name(s) shown on return

Capital Gains and Losses

▶ Attach to Form 1040 or Form 1040NR. ▶ See Instructions for Schedule D (Form 1040).
▶ Use Schedule D-1 to list additional transactions for lines 1 and 8.

OMB No. 1545-0074

2008
Attachment
Sequence No. **12**

Your social security number

RAFAEL E & HEIDI S CRUZ

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold (Mo., day, yr.)	(d) Sales price	(e) Cost or other basis	(f) Gain or (loss) Subtract (e) from (d)
1 300 SHARES BANK OF AMERICA CORP	VARIOUS	11/24/08	4,128.	10,188.	<6,060.>
800 SHARES CITIGROUP	VARIOUS	11/24/08	4,536.	12,864.	<8,328.>
FAIRPOINT COMMUNICATIONS	VARIOUS	04/15/08	7.	0.	7.
2 Enter your short-term totals, if any, from Schedule D-1, line 2			2		
3 Total short-term sales price amounts. Add lines 1 and 2 in column (d)			3	8,671.	
4 Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824				4	
5 Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				5	
6 Short-term capital loss carryover. Enter the amount, if any, from line 8 of your Capital Loss Carryover Worksheet in the instructions				6	()
7 Net short-term capital gain or (loss). Combine lines 1 through 6 in column (f)				7	<14,381.>

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold (Mo., day, yr.)	(d) Sales price	(e) Cost or other basis	(f) Gain or (loss) Subtract (e) from (d)
8					
9 Enter your long-term totals, if any, from Schedule D-1, line 9			9		
10 Total long-term sales price amounts. Add lines 8 and 9 in column (d)			10		
11 Gain from Form 4797, Part I; long-term gain from Forms 2439 and 6252; and long-term gain or (loss) from Forms 4684, 6781, and 8824				11	
12 Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				12	
13 Capital gain distributions				13	
14 Long-term capital loss carryover. Enter the amount, if any, from line 13 of your Capital Loss Carryover Worksheet in the instructions				14	(3,147.)
15 Net long-term capital gain or (loss). Combine lines 8 through 14 in column (f). Then go to Part III on page 2				15	<3,147.>

LHA For Paperwork Reduction Act Notice, see Form 1040 or Form 1040NR instructions.

Schedule D (Form 1040) 2008

Part III Summary

16 Combine lines 7 and 15 and enter the result	16	<17,528.>
If line 16 is: • A gain , enter the amount from line 16 on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 17 below. • A loss , skip lines 17 through 20 below. Then go to line 21. Also be sure to complete line 22. • Zero , skip lines 17 through 21 below and enter -0- on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 22.		
17 Are lines 15 and 16 both gains? <input type="checkbox"/> Yes. Go to line 18. <input type="checkbox"/> No. Skip lines 18 through 21, and go to line 22.		
18 Enter the amount, if any, from line 7 of the 28% Rate Gain Worksheet on page D-8 of the instructions	18	
19 Enter the amount, if any, from line 18 of the Unrecaptured Section 1250 Gain Worksheet on page D-9 of the instructions	19	
20 Are lines 18 and 19 both zero or blank? <input type="checkbox"/> Yes. Complete Form 1040 through line 43, or Form 1040NR through line 40. Then complete the Qualified Dividends and Capital Gain Tax Worksheet on page 38 of the Instructions for Form 1040 (or in the Instructions for Form 1040NR). Do not complete lines 21 and 22 below. <input type="checkbox"/> No. Complete Form 1040 through line 43, or Form 1040NR through line 40. Then complete the Schedule D Tax Worksheet on page D-10 of the instructions. Do not complete lines 21 and 22 below.		
21 If line 16 is a loss, enter here and on Form 1040, line 13, or Form 1040NR, line 14, the smaller of: • The loss on line 16 or • (\$3,000), or if married filing separately, (\$1,500)	21	SEE STATEMENT 10 (3,000.)
Note. When figuring which amount is smaller, treat both amounts as positive numbers.		
22 Do you have qualified dividends on Form 1040, line 9b, or Form 1040NR, line 10b? <input checked="" type="checkbox"/> Yes. Complete Form 1040 through line 43, or Form 1040NR through line 40. Then complete the Qualified Dividends and Capital Gain Tax Worksheet on page 38 of the Instructions for Form 1040 (or in the Instructions for Form 1040NR). <input type="checkbox"/> No. Complete the rest of Form 1040 or Form 1040NR.		

Schedule D (Form 1040) 2008

SCHEDULE E
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Supplemental Income and Loss

(From rental real estate, royalties, partnerships,
S corporations, estates, trusts, REMICs, etc.)

▶ Attach to Form 1040, 1040NR, or Form 1041.

▶ See Instructions for Schedule E (Form 1040).

OMB No. 1545-0074

2008

Attachment
Sequence No. **13**

Name(s) shown on return

Your social security number

RAFAEL E & HEIDI S CRUZ

Part I **Income or Loss From Rental Real Estate and Royalties** Note. If you are in the business of renting personal property, use
Schedule C or C-EZ (see page E-3). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

1	List the type and address of each rental real estate property:	2	For each rental real estate property listed on line 1, did you or your family use it during the tax year for personal purposes for more than the greater of: • 14 days or • 10% of the total days rented at fair rental value? (See page E-3.)	Yes	No
A	CONDO 3333 ALLEN PKWY UNIT 2606, HOUSTON, TX 77				X
B	RENTAL HOUSE 1510 HARTFORD RD, AUSTIN, TX 78703				X
C					

Income:	Properties			Totals (Add columns A, B, and C.)
	A	B	C	
3 Rents received	3	9,187.		3 9,187.
4 Royalties received	4			4
Expenses:				
5 Advertising	5			
6 Auto and travel (see page E-4)	6			
7 Cleaning and maintenance	7			
8 Commissions	8			
9 Insurance	9	1,972.		
10 Legal and other professional fees	10			
11 Management fees	11	1,560.		
12 Mortgage interest paid to banks, etc. (see page E-5)	12	3,257.	7,017.	12 10,274.
13 Other interest	13			
14 Repairs	14			
15 Supplies	15			
16 Taxes	16	1,596.	6,656.	
17 Utilities	17			
18 Other (list) ▶ SEE STATEMENT 11	18	1,089.		
19 Add lines 5 through 18	19	5,942.	17,205.	19 23,147.
20 Depreciation expense or depletion (see page E-5)	20	1,709.	8,636.	20 10,345.
21 Total expenses. Add lines 19 and 20	21	7,651.	25,841.	
22 Income or (loss) from rental real estate or royalty properties. Subtract line 21 from line 3 (rents) or line 4 (royalties). If the result is a (loss), see page E-5 to find out if you must file Form 6198	22	<7,651.>	<16,654.>	
23 Deductible rental real estate loss. Caution. Your rental real estate loss on line 22 may be limited. See page E-5 to find out if you must file Form 8582. Real estate professionals must complete line 43 on page 2	23	0.	0.	
24 Income. Add positive amounts shown on line 22. Do not include any losses	24			0.
25 Losses. Add royalty losses from line 22 and rental real estate losses from line 23. Enter total losses here	25			0.
26 Total rental real estate and royalty income or (loss). Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2	26			0.

Name(s) shown on return. Do not enter name and social security number if shown on page 1.

Your social security number

RAFAEL E & HEIDI S CRUZ

Caution. The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.

Part II Income or Loss From Partnerships and S Corporations Note. If you report a loss from an at-risk activity for which any amount is not at risk, you must check column (e) on line 28 and attach Form 6198. See page E-1.

- 27 Are you reporting any loss not allowed in a prior year due to the at-risk or basis limitations, a prior year unallowed loss from a passive activity (if that loss was not reported on Form 8582), or unreimbursed partnership expenses? ☐ Yes ☒ No
If you answered "Yes," see page E-7 before completing this section.

28	(a) Name	(b) Enter P for partnership; S for S corporation	(c) Check if foreign partnership	(d) Employer identification number	(e) Check if any amount is not at risk
A		P			
B	MORGAN LEWIS	P			
C					
D					

Passive Income and Loss			Nonpassive Income and Loss		
	(f) Passive loss allowed (attach Form 8582 if required)	(g) Passive income from Schedule K-1	(h) Nonpassive loss from Schedule K-1	(i) Section 179 expense deduction from Form 4562	(j) Nonpassive income from Schedule K-1
A			0.		
B					431,163.
C					
D					
29a	Totals				431,163.
b	Totals				
30	Add columns (g) and (j) of line 29a			30	431,163.
31	Add columns (f), (h), and (i) of line 29b			31	()
32	Total partnership and S corporation income or (loss). Combine lines 30 and 31. Enter the result here and include in the total on line 41 below			32	431,163.

Part III Income or Loss From Estates and Trusts

33	(a) Name	(b) Employer identification number
A		
B		

Passive Income and Loss			Nonpassive Income and Loss		
	(c) Passive deduction or loss allowed (attach Form 8582 if required)	(d) Passive income from Schedule K-1	(e) Deduction or loss from Schedule K-1	(f) Other income from Schedule K-1	
A					
B					
34a	Totals				
b	Totals				
35	Add columns (d) and (f) of line 34a			35	
36	Add columns (c) and (e) of line 34b			36	()
37	Total estate and trust income or (loss). Combine lines 35 and 36. Enter the result here and include in the total on line 41 below			37	

Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs) - Residual Holder

38	(a) Name	(b) Employer identification number	(c) Excess inclusion from Schedules Q, line 2c	(d) Taxable income (net loss) from Schedules Q, line 1b	(e) Income from Schedules Q, line 3b
39	Combine columns (d) and (e) only. Enter the result here and include in the total on line 41 below				39

Part V Summary

40	Net farm rental income or (loss) from Form 4835. Also, complete line 42 below	40	
41	Total income or (loss). Combine lines 26, 32, 37, 39, and 40. Enter the result here and on Form 1040, line 17, or Form 1040NR, line 18	41	431,163.
42	Reconciliation of farming and fishing income. Enter your gross farming and fishing income reported on Form 4835, line 7; Schedule K-1 (Form 1065), box 14, code B; Schedule K-1 (Form 1120S), box 17, code T; and Schedule K-1 (Form 1041), line 14, code F (see page E-8)	42	
43	Reconciliation for real estate professionals. If you were a real estate professional (see page E-2), enter the net income or (loss) you reported anywhere on Form 1040 or Form 1040NR from all rental real estate activities in which you materially participated under the passive activity loss rules	43	

INCOME FROM PASSTHROUGH STATEMENT, PAGE 1

2008

SCHEDULE E

Name RAFAEL E CRUZ

SSN/EIN

Passthrough MORGAN LEWIS

ID

TAXPAYER

PARTNERSHIP

NONPASSIVE	K-1 Input	Prior Year Unallowed Basis Loss	Disallowed Due to Basis Limitation	Prior Year Unallowed At-Risk Loss	Disallowed Due to At-Risk	Prior Year Passive Loss	Disallowed Passive Loss	Tax Return
SCHEDULE E, PAGE 2								
Ordinary business income (loss)	432,146.							
Rental real estate income (loss)								
Other net rental income (loss)								
Intangible drilling costs/dry hole costs								
Self-charged passive interest expense								
Guaranteed payments								
Section 179 and carryover								
Disallowed section 179 expense								
Net income (loss)	432,146.							432,146.
First passive other								
Second passive other								
Cost depletion								
Percentage depletion								
Depletion carryover								
Disallowed due to 65% limitation								
Unreimbursed expenses (nonpassive)								
Nonpassive other	<983.>							<983.>
Total Schedule E (page 2)	431,163.							431,163.
FORM 4797								
Section 1231 gain (loss)								
Section 179 recapture on disposition								
SCHEDULE D								
Net short-term cap. gain (loss)								
Net long-term cap. gain (loss)								
Section 1256 contracts & straddles ...								
FORM 4952								
Investment interest expense - Sch. A								
Other net investment income								
ITEMIZED DEDUCTIONS								
Charitable contributions								
Deductions related to portfolio income								
Other								

INCOME FROM PASSTHROUGH STATEMENT, PAGE 2

2008

SCHEDULE E

Name RAFAEL E CRUZ

SSN/EIN

Passthrough MORGAN LEWIS

ID

TAXPAYER

PARTNERSHIP

NONPASSIVE	K-1 Input	Prior Year Unallowed Basis Loss	Disallowed Due to Basis Limitation	Prior Year Unallowed At-Risk Loss	Disallowed Due to At-Risk	Prior Year Passive Loss	Disallowed Passive Loss	Tax Return
INTEREST AND DIVIDENDS								
Interest income								
Interest from U.S. bonds								
Ordinary dividends								
Qualified dividends								
Tax-exempt interest income								
FORM 6251								
Depreciation adjustment after 12/31/86								
Adjusted gain or loss								
Beneficiary's AMT adjustment								
Depletion (other than oil)								
Other								
MISCELLANEOUS								
Self-employment earnings (loss)/Wages	507,146.							507,146.
Gross farming & fishing inc								
Royalties								
Royalty expenses/depletion								
Undistributed capital gains credit								
Backup withholding								
Credit for estimated tax								
Cancellation of debt								
Medical insurance - 1040								
Dependent care benefits								
Retirement plans								
Qualified production activities income								
Passthrough adjustment to Form 1040								
Penalty on early withdrawal of savings								
NOL								
Other taxes/recapture of credits								
Credits								
Casualty and theft loss								

Name of person with self-employment income (as shown on Form 1040)

Social security number of person with self-employment income

RAFAEL E CRUZ

Section B - Long Schedule SE

Part I Self-Employment Tax

Note. If your only income subject to self-employment tax is church employee income, skip lines 1 through 4b. Enter -0- on line 4c and go to line 5a. Income from services you performed as a minister or a member of a religious order is not church employee income. See page SE-1.

A If you are a minister, member of a religious order, or Christian Science practitioner and you filed Form 4361, but you had \$400 or more of other net earnings from self-employment, check here and continue with Part I <input type="checkbox"/>	
1a Net farm profit or (loss) from Schedule F, line 36, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A. Note. Skip lines 1a and 1b if you use the farm optional method (see page SE-4)	1a
b If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 6b, or listed on Schedule K-1 (Form 1065), box 20, code X	1b
2 Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see pg SE-1 for types of income to report on this line. See pg SE-3 for other income to report. Note. Skip this line if you use the nonfarm optional method (see page SE-4) SEE STATEMENT 12	2 509,646.
3 Combine lines 1a, 1b, and 2	3 509,646.
4a If line 3 is more than zero, multiply line 3 by 92.35% (.9235). Otherwise, enter amount from line 3	4a 470,658.
b If you elect one or both of the optional methods, enter the total of lines 15 and 17 here	4b
c Combine lines 4a and 4b. If less than \$400, stop; you do not owe self-employment tax. Exception. If less than \$400 and you had church employee income, enter -0- and continue	4c 470,658.
5a Enter your church employee income from Form W-2. See page SE-1 for definition of church employee income	5a
b Multiply line 5a by 92.35% (.9235). If less than \$100, enter -0-	5b
6 Net earnings from self-employment. Add lines 4c and 5b	6 470,658.
7 Maximum amount of combined wages and self-employment earnings subject to social security tax or the 6.2% portion of the 7.65% railroad retirement (tier 1) tax for 2008	7 102,000.00
8a Total social security wages and tips (total of boxes 3 and 7 on Form(s) W-2) and railroad retirement (tier 1) compensation. If \$102,000 or more, skip lines 8b through 10, and go to line 11	8a 85,432.
b Unreported tips subject to social security tax (from Form 4137, line 10)	8b
c Wages subject to social security tax (from Form 8919, line 10)	8c
d Add lines 8a, 8b, and 8c	8d 85,432.
9 Subtract line 8d from line 7. If zero or less, enter -0- here and on line 10 and go to line 11	9 16,568.
10 Multiply the smaller of line 6 or line 9 by 12.4% (.124)	10 2,054.
11 Multiply line 6 by 2.9% (.029)	11 13,649.
12 Self-employment tax. Add lines 10 and 11. Enter here and on Form 1040, line 57	12 15,703.
13 Deduction for one-half of self-employment tax. Multiply line 12 by 50% (.5). Enter the result here and on Form 1040, line 27	13 7,852.

Part II Optional Methods To Figure Net Earnings (see page SE-4)

Farm Optional Method. You may use this method only if (a) your gross farm income ¹ was not more than \$6,300, or (b) your net farm profits ² were less than \$4,548.	
14 Maximum income for optional methods	14 4,200.00
15 Enter the smaller of: two-thirds (2/3) of gross farm income ¹ (not less than zero) or \$4,200. Also include this amount on line 4b above	15
Nonfarm Optional Method. You may use this method only if (a) your net nonfarm profits ³ were less than \$4,548 and also less than 72.189% of your gross nonfarm income ⁴ and (b) you had net earnings from self-employment of at least \$400 in 2 of the prior 3 years.	
Caution. You may use this method no more than five times.	
16 Subtract line 15 from line 14	16
17 Enter the smaller of: two-thirds (2/3) of gross nonfarm income ⁴ (not less than zero) or the amount on line 16. Also include this amount on line 4b above	17

¹ From Sch. F, line 11, and Sch. K-1 (Form 1065), box 14, code B.² From Sch. F, line 36, and Sch. K-1 (Form 1065), box 14, code

A - minus the amount you would have entered on line 1b had you not used the optional method.

³ From Sch. C, line 31; Sch. C-EZ, line 3; Sch. K-1 (Form 1065), box 14, code A; and Sch. K-1 (Form 1065-B), box 9, code J1.⁴ From Sch. C, line 7; Sch. C-EZ, line 1; Sch. K-1 (Form 1065), box 14, code C; and Sch. K-1 (Form 1065-B), box 9, code J2.

**SCHEDULE H
(Form 1040)**Department of the Treasury
Internal Revenue Service (99)**Household Employment Taxes**

(For Social Security, Medicare, Withheld Income, and Federal Unemployment (FUTA) Taxes)

▶ Attach to Form 1040, 1040NR, 1040-SS, or 1041.

▶ See separate instructions.

OMB No. 1545-1971

2008
Attachment
Sequence No. **44**

Name of employer

Social security number

Employer identification number

HEIDI S CRUZ

- A** Did you pay **any one** household employee cash wages of \$1,600 or more in 2008? (If any household employee was your spouse, your child under age 21, your parent, or anyone under age 18, see the line A instructions on page H-4 before you answer this question.)

☒ **Yes.** Skip lines B and C and go to line 1.
☐ **No.** Go to line B.

- B** Did you withhold federal income tax during 2008 for any household employee?

☐ **Yes.** Skip line C and go to line 5.
☐ **No.** Go to line C.

- C** Did you pay **total** cash wages of \$1,000 or more in **any** calendar **quarter** of 2007 or 2008 to **all** household employees? (Do not count cash wages paid in 2007 or 2008 to your spouse, your child under age 21, or your parent.)

☐ **No.** **Stop.** Do not file this schedule.
☐ **Yes.** Skip lines 1-9 and go to line 10 on page 2. (Calendar year taxpayers having no household employees in 2008 do not have to complete this form for 2008.)

Part I Social Security, Medicare, and Federal Income Taxes

1 Total cash wages subject to social security taxes (see page H-4)	1	33,913.		
2 Social security taxes. Multiply line 1 by 12.4% (.124)			2	4,205.
3 Total cash wages subject to Medicare taxes (see page H-4)	3	33,913.		
4 Medicare taxes. Multiply line 3 by 2.9% (.029)			4	983.
5 Federal income tax withheld, if any			5	1,398.
6 Total social security, Medicare, and federal income taxes. Add lines 2, 4, and 5			6	6,586.
7 Advance earned income credit (EIC) payments, if any			7	
8 Net taxes (subtract line 7 from line 6)			8	6,586.

- 9** Did you pay **total** cash wages of \$1,000 or more in **any** calendar **quarter** of 2007 or 2008 to **all** household employees? (Do not count cash wages paid in 2007 or 2008 to your spouse, your child under age 21, or your parent.)

☐ **No.** **Stop.** Include the amount from line 8 above on Form 1040, line 60, and check box **b** on that line. If you are not required to file Form 1040, see the line 9 instructions on page H-4.

☒ **Yes.** Go to line 10 on page 2.

LHA For Privacy Act and Paperwork Reduction Act Notice, see page H-7 of the instructions.

Schedule H (Form 1040) 2008

Part II Federal Unemployment (FUTA) Tax

	Yes	No
10 Did you pay unemployment contributions to only one state?	X	
11 Did you pay all state unemployment contributions for 2008 by April 15, 2009? Fiscal year filers, see page H-4	X	
12 Were all wages that are taxable for FUTA tax also taxable for your state's unemployment tax?	X	

Next: If you checked the "Yes" box on **all** the lines above, complete Section A.

If you checked the "No" box on **any** of the lines above, skip Section A and complete Section B.

Section A

13 Name of the state where you paid unemployment contributions	TX	
14 State reporting number as shown on state unemployment tax return	11-753133-3	
15 Contributions paid to your state unemployment fund (see page H-5)	15	486.
16 Total cash wages subject to FUTA tax (see page H-5)	16	14,000.
17 FUTA tax. Multiply line 16 by .008. Enter the result here, skip Section B, and go to line 26	17	112.

Section B

18 Complete all columns below that apply (if you need more space, see page H-5):

(a) Name of state	(b) State reporting number as shown on state unemployment tax return	(c) Taxable wages (as defined in state act)	(d) State experience rate period		(e) State experience rate	(f) Multiply col. (c) by .054	(g) Multiply col. (c) by col. (e)	(h) Subtract col. (g) from col. (f). If zero or less, enter -0-.	(i) Contributions paid to state unemployment fund
			From	To					

19 Totals	19	
20 Add columns (h) and (i) of line 19	20	
21 Total cash wages subject to FUTA tax (see the line 16 instructions on page H-5)	21	
22 Multiply line 21 by 6.2% (.062)	22	
23 Multiply line 21 by 5.4% (.054)	23	
24 Enter the smaller of line 20 or line 23	24	
25 FUTA tax. Subtract line 24 from line 22. Enter the result here and go to line 26	25	

Part III Total Household Employment Taxes

26 Enter the amount from line 8. If you checked the "Yes" box on line C of page 1, enter -0-	26	6,586.
27 Add line 17 (or line 25) and line 26 (see page H-5)	27	6,698.
28 Are you required to file Form 1040?		

☒ **Yes.** Stop. Include the amount from line 27 above on Form 1040, line 60, and check box **b** on that line. Do not complete Part IV below.

☐ **No.** You may have to complete Part IV. See page H-5 for details.

Part IV Address and Signature - Complete this part only if required. See the line 28 instructions on page H-5.

Address (number and street) or P.O. box if mail is not delivered to street address	Apt., room, or suite no.
City, town or post office, state, and ZIP code	

Under penalties of perjury, I declare that I have examined this schedule, including accompanying statements, and to the best of my knowledge and belief, it is true, correct, and complete. No part of any payment made to a state unemployment fund claimed as a credit was, or is to be, deducted from the payments to employees. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Employer's signature	Date
Paid Preparer's Use Only	Preparer's signature
	Date
	Check if self-employed <input type="checkbox"/>
	Preparer's SSN or PTIN
	Firm's name (or yours if self-employed), address, and ZIP code
	EIN
	Phone no.

Schedule H (Form 1040) 2008

SCHEDULE E- 1
Depreciation and Amortization
(Including Information on Listed Property)

OMB No. 1545-0172

2008
Attachment
Sequence No. 67

▶ See separate instructions. ▶ Attach to your tax return.

Name(s) shown on return RAFAEL E & HEIDI S CRUZ	Business or activity to which this form relates CONDO - 3333 ALLEN PKWY HOUSTON, TX 7	Identifying number
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Part I Election To Expense Certain Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I.

1 Maximum amount. See the instructions for a higher limit for certain businesses	1	250,000.
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation	3	800,000.
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)
		(c) Elected cost
7 Listed property. Enter the amount from line 29	7	
8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9 Tentative deduction. Enter the smaller of line 5 or line 8	9	
10 Carryover of disallowed deduction from line 13 of your 2007 Form 4562	10	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13 Carryover of disallowed deduction to 2009. Add lines 9 and 10, less line 12	▶ 13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)

14 Special depreciation for qualified property (other than listed property) placed in service during the tax year	14	
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17 MACRS deductions for assets placed in service in tax years beginning before 2008	17	
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here	▶ <input type="checkbox"/>	

Section B - Assets Placed in Service During 2008 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	11 / 08	376,000.	27.5 yrs.	MM	S/L	1,709.
	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs.	MM	S/L	
	/			MM	S/L	

Section C - Assets Placed in Service During 2008 Tax Year Using the Alternative Depreciation System

20a Class life	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
b 12-year			12 yrs.		S/L	
c 40-year	/		40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21 Listed property. Enter amount from line 28	21	
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	1,709.
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? ☐ Yes ☐ No **24b** If "Yes," is the evidence written? ☐ Yes ☐ No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use							25	

26 Property used more than 50% in a qualified business use:

		%						
		%						
		%						

27 Property used 50% or less in a qualified business use:

		%			S/L -		
		%			S/L -		
		%			S/L -		

28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1

28

29 Add amounts in column (i), line 26. Enter here and on line 7, page 1

29**Section B - Information on Use of Vehicles**

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person.

If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle	(b) Vehicle	(c) Vehicle	(d) Vehicle	(e) Vehicle	(f) Vehicle
30 Total business/investment miles driven during the year (do not include commuting miles)						
31 Total commuting miles driven during the year						
32 Total other personal (noncommuting) miles driven						
33 Total miles driven during the year. Add lines 30 through 32						
34 Was the vehicle available for personal use during off-duty hours?	Yes	No	Yes	No	Yes	No
35 Was the vehicle used primarily by a more than 5% owner or related person?						
36 Is another vehicle available for personal use?						

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes	No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use?		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2008 tax year:					
43 Amortization of costs that began before your 2008 tax year					43
44 Total. Add amounts in column (f). See the instructions for where to report					44

SCHEDULE E- 2
Depreciation and Amortization
 (Including Information on Listed Property)

OMB No. 1545-0172

2008

Attachment
 Sequence No. 67

▶ See separate instructions. ▶ Attach to your tax return.

Name(s) shown on return RAFAEL E & HEIDI S CRUZ	Business or activity to which this form relates RENTAL HOUSE - 1510 HARTFORD RD, AUSTIN, TX	Identifying number <div style="background-color:black; width:100px; height:1.2em;"></div>
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Part I Election To Expense Certain Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I.

1 Maximum amount. See the instructions for a higher limit for certain businesses	1	250,000.
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation	3	800,000.
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6		
(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7 Listed property. Enter the amount from line 29	7	
8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9 Tentative deduction. Enter the smaller of line 5 or line 8	9	
10 Carryover of disallowed deduction from line 13 of your 2007 Form 4562	10	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13 Carryover of disallowed deduction to 2009. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)

14 Special depreciation for qualified property (other than listed property) placed in service during the tax year	14	
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17 MACRS deductions for assets placed in service in tax years beginning before 2008	17	
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

Section B - Assets Placed in Service During 2008 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	3 / 08	300,000.	27.5 yrs.	MM	S/L	8,636.
	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs.	MM	S/L	
	/			MM	S/L	

Section C - Assets Placed in Service During 2008 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year		/	40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21 Listed property. Enter amount from line 28	21	
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	8,636.
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? ☐ Yes ☐ No **24b** If "Yes," is the evidence written? ☐ Yes ☐ No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use							25	
26 Property used more than 50% in a qualified business use:								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use:								
		%				S/L -		
		%				S/L -		
		%				S/L -		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1							28	
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1							29	

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person.

If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
30 Total business/investment miles driven during the year (do not include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use?		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2008 tax year:					
43 Amortization of costs that began before your 2008 tax year					43
44 Total. Add amounts in column (f). See the instructions for where to report					44

Passive Activity Loss Limitations▶ See separate instructions.
▶ Attach to Form 1040 or Form 1041.**2008**Attachment
Sequence No. **88**

Name(s) shown on return

Identifying number

RAFAEL E & HEIDI S CRUZ**Part I 2008 Passive Activity Loss** Caution: Complete Worksheets 1, 2, and 3 on page 2 before completing Part I.**Rental Real Estate Activities With Active Participation** (For the definition of active participation, see**Special Allowance for Rental Real Estate Activities** on page 3 of the instructions.)

1a Activities with net income (enter the amount from Worksheet 1, column (a))	1a		
b Activities with net loss (enter the amount from Worksheet 1, column (b))	1b	<24,305.>	
c Prior years unallowed losses (enter the amount from Worksheet 1, column (c))	1c		
d Combine lines 1a, 1b, and 1c	1d	<24,305.>	

Commercial Revitalization Deductions From Rental Real Estate Activities

2a Commercial revitalization deductions from Worksheet 2, column (a)	2a		
b Prior year unallowed commercial revitalization deductions from Worksheet 2, column (b)	2b		
c Add lines 2a and 2b	2c		

All Other Passive Activities

3a Activities with net income (enter the amount from Worksheet 3, column (a))	3a		
b Activities with net loss (enter the amount from Worksheet 3, column (b))	3b		
c Prior years unallowed losses (enter the amount from Worksheet 3, column (c))	3c		
d Combine lines 3a, 3b, and 3c	3d		

4 Combine lines 1d, 2c, and 3d. If the result is net income or zero, all losses are allowed, including any prior year unallowed losses entered on line 1c, 2b, or 3c. Do not complete Form 8582. Report the losses on the forms and schedules normally used	4	<24,305.>	
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- If line 4 is a loss and:
- Line 1d is a loss, go to Part II.
 - Line 2c is a loss (and line 1d is zero or more), skip Part II and go to Part III.
 - Line 3d is a loss (and lines 1d and 2c are zero or more), skip Parts II and III and go to line 15.

Caution: If your filing status is married filing separately and you lived with your spouse at any time during the year, do not complete Part II or Part III. Instead, go to line 15.

Part II Special Allowance for Rental Real Estate Activities With Active Participation

Note: Enter all numbers in Part II as positive amounts. See page 8 of the instructions for an example.

5 Enter the smaller of the loss on line 1d or the loss on line 4	5	24,305.
6 Enter \$150,000. If married filing separately, see the instructions	6	150,000.
7 Enter modified adjusted gross income, but not less than zero (see the instr.)	7	788,050.
Note: If line 7 is greater than or equal to line 6, skip lines 8 and 9, enter -0- on line 10. Otherwise, go to line 8.		
8 Subtract line 7 from line 6	8	
9 Multiply line 8 by 50% (.5). Do not enter more than \$25,000. If married filing separately, see the instructions	9	
10 Enter the smaller of line 5 or line 9	10	0.
If line 2c is a loss, go to Part III. Otherwise, go to line 15.		

Part III Special Allowance for Commercial Revitalization Deductions From Rental Real Estate Activities

Note: Enter all numbers in Part III as positive amounts. See the example for Part II on page 8 of the instructions.

11 Enter \$25,000 reduced by the amount, if any, on line 10. If married filing separately, see instructions	11	
12 Enter the loss from line 4	12	
13 Reduce line 12 by the amount on line 10	13	
14 Enter the smallest of line 2c (treated as a positive amount), line 11, or line 13	14	

Part IV Total Losses Allowed

15 Add the income, if any, on lines 1a and 3a and enter the total	15	
16 Total losses allowed from all passive activities for 2008. Add lines 10, 14, and 15. See the instructions to find out how to report the losses on your tax return	16	SEE STATEMENT 16 0.

Worksheet 1 - For Form 8582, Lines 1a, 1b, and 1c (See instructions.)Worksheet 2 - For Form 8582, Lines 2a and 2b (See instructions.)Worksheet 3 - For Form 8582, Lines 3a, 3b, and 3c (See instructions.)

Worksheet 4 - Use this worksheet if an amount is shown on Form 8582, line 10 or 14 (See instructions.)

Worksheet 5 - Allocation of Unallowed Losses (See instructions.)819762 03-04-09 Form 8582 (2008)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Unallowed loss	(c) Allowed loss
SEE ATTACHED STATEMENT FOR WORKSHEET				6
Total		24,305.	24,305.	

Name of activity:	(a)	(b)	(c) Ratio	(d) Unallowed loss	(e) Allowed loss
Form or schedule and line number to be reported on (see instructions):					
1a Net loss plus prior year unallowed loss from form or schedule ►					
b Net income from form or schedule ►					
c Subtract line 1b from line 1a. If zero or less, enter -0- ►					
Form or schedule and line number to be reported on (see instructions):					
1a Net loss plus prior year unallowed loss from form or schedule ►					
b Net income from form or schedule ►					
c Subtract line 1b from line 1a. If zero or less, enter -0- ►					
Form or schedule and line number to be reported on (see instructions):					
1a Net loss plus prior year unallowed loss from form or schedule ►					
b Net income from form or schedule ►					
c Subtract line 1b from line 1a. If zero or less, enter -0- ►					
Total ►					

Form 8582 (2008)

Passive Activity Loss Limitations

▶ See separate instructions.
▶ Attach to Form 1040 or Form 1041.

Name(s) shown on return

Identifying number

RAFAEL E & HEIDI S CRUZ

Part I 2008 Passive Activity Loss Caution: Complete Worksheets 1, 2, and 3 on page 2 before completing Part I.

Rental Real Estate Activities With Active Participation (For the definition of active participation, see

Special Allowance for Rental Real Estate Activities on page 3 of the instructions.)

1a Activities with net income (enter the amount from Worksheet 1, column (a))	1a		1d	<24,305.>
b Activities with net loss (enter the amount from Worksheet 1, column (b))	1b	<24,305.>		
c Prior years unallowed losses (enter the amount from Worksheet 1, column (c))	1c			
d Combine lines 1a, 1b, and 1c				

Commercial Revitalization Deductions From Rental Real Estate Activities

2a Commercial revitalization deductions from Worksheet 2, column (a)	2a		2c
b Prior year unallowed commercial revitalization deductions from Worksheet 2, column (b)	2b		
c Add lines 2a and 2b			

All Other Passive Activities

3a Activities with net income (enter the amount from Worksheet 3, column (a))	3a		3d
b Activities with net loss (enter the amount from Worksheet 3, column (b))	3b		
c Prior years unallowed losses (enter the amount from Worksheet 3, column (c))	3c		
d Combine lines 3a, 3b, and 3c			

4 Combine lines 1d, 2c, and 3d. If the result is net income or zero, all losses are allowed, including any prior year unallowed losses entered on line 1c, 2b, or 3c. Do not complete Form 8582. Report the losses on the forms and schedules normally used	4	<24,305.>
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- If line 4 is a loss and:
- Line 1d is a loss, go to Part II.
 - Line 2c is a loss (and line 1d is zero or more), skip Part II and go to Part III.
 - Line 3d is a loss (and lines 1d and 2c are zero or more), skip Parts II and III and go to line 15.

Caution: If your filing status is married filing separately and you lived with your spouse at any time during the year, do not complete Part II or Part III. Instead, go to line 15.

Part II Special Allowance for Rental Real Estate Activities With Active Participation

Note: Enter all numbers in Part II as positive amounts. See page 8 of the instructions for an example.

5 Enter the smaller of the loss on line 1d or the loss on line 4	5	24,305.
6 Enter \$150,000. If married filing separately, see the instructions	6	150,000.
7 Enter modified adjusted gross income, but not less than zero (see the instr.)	7	788,050.
Note: If line 7 is greater than or equal to line 6, skip lines 8 and 9, enter -0- on line 10. Otherwise, go to line 8.		
8 Subtract line 7 from line 6	8	
9 Multiply line 8 by 50% (.5). Do not enter more than \$25,000. If married filing separately, see the instructions	9	
10 Enter the smaller of line 5 or line 9	10	0.

If line 2c is a loss, go to Part III. Otherwise, go to line 15.

Part III Special Allowance for Commercial Revitalization Deductions From Rental Real Estate Activities

Note: Enter all numbers in Part III as positive amounts. See the example for Part II on page 8 of the instructions.

11 Enter \$25,000 reduced by the amount, if any, on line 10. If married filing separately, see instructions	11	
12 Enter the loss from line 4	12	
13 Reduce line 12 by the amount on line 10	13	
14 Enter the smallest of line 2c (treated as a positive amount), line 11, or line 13	14	

Part IV Total Losses Allowed

15 Add the income, if any, on lines 1a and 3a and enter the total	15	
16 Total losses allowed from all passive activities for 2008. Add lines 10, 14, and 15. See the instructions to find out how to report the losses on your tax return	16	SEE STATEMENT 21 0.

Form 8582 (2008) **RAFAEL E & HEIDI S CRUZ**

Page 2

Worksheet 1 - For Form 8582, Lines 1a, 1b, and 1c (See instructions.)

Name of activity	Current year		Prior years	Overall gain or loss	
	(a) Net income (line 1a)	(b) Net loss (line 1b)	(c) Unallowed loss (line 1c)	(d) Gain	(e) Loss
	SEE ATTACHED STATEMENT FOR WORKSHEET 1				
Total. Enter on Form 8582, lines 1a, 1b, and 1c		<24,305.>			

Worksheet 2 - For Form 8582, Lines 2a and 2b (See instructions.)

Name of activity	(a) Current year deductions (line 2a)	(b) Prior year unallowed deductions (line 2b)	(c) Overall loss
Total. Enter on Form 8582, lines 2a and 2b			

Worksheet 3 - For Form 8582, Lines 3a, 3b, and 3c (See instructions.)

Name of activity	Current year		Prior years	Overall gain or loss	
	(a) Net income (line 3a)	(b) Net loss (line 3b)	(c) Unallowed loss (line 3c)	(d) Gain	(e) Loss
Total. Enter on Form 8582, lines 3a, 3b, and 3c					

Worksheet 4 - Use this worksheet if an amount is shown on Form 8582, line 10 or 14 (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Special allowance	(d) Subtract column (c) from column (a)
Total					

Worksheet 5 - Allocation of Unallowed Losses (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Unallowed loss
	SEE ATTACHED STATEMENT FOR WORKSHEET	5		
Total		24,305.	1.000000000	24,305.

ALTERNATIVE MINIMUM TAX

Form 8582 (2008) **RAFAEL E & HEIDI S CRUZ**

Page **3**

Worksheet 6 - Allowed Losses (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Unallowed loss	(c) Allowed loss
SEE ATTACHED STATEMENT FOR WORKSHEET 6				
Total	▶	24,305.	24,305.	

Worksheet 7 - Activities With Losses Reported on Two or More Forms or Schedules (See instructions.)

Name of activity:	(a)	(b)	(c) Ratio	(d) Unallowed loss	(e) Allowed loss
Form or schedule and line number to be reported on (see instructions):					
1a Net loss plus prior year unallowed loss from form or schedule	▶				
b Net income from form or schedule	▶				
c Subtract line 1b from line 1a. If zero or less, enter -0-	▶				
Form or schedule and line number to be reported on (see instructions):					
1a Net loss plus prior year unallowed loss from form or schedule	▶				
b Net income from form or schedule	▶				
c Subtract line 1b from line 1a. If zero or less, enter -0-	▶				
Form or schedule and line number to be reported on (see instructions):					
1a Net loss plus prior year unallowed loss from form or schedule	▶				
b Net income from form or schedule	▶				
c Subtract line 1b from line 1a. If zero or less, enter -0-	▶				
Total	▶				

Form **8582** (2008)

Employee Business Expenses

▶ See separate instructions.

▶ Attach to Form 1040 or Form 1040NR.

2008Attachment
Sequence No. **129**

Your name

HEIDI S CRUZ

Occupation in which you incurred expenses

DIRECTOR

Social security number

Part I Employee Business Expenses and Reimbursements**Step 1 Enter Your Expenses**

	Column A Other Than Meals and Entertainment	Column B Meals and Entertainment
1 Vehicle expense from line 22c or line 29. (Rural mail carriers: See instructions.) ...	1	
2 Parking fees, tolls, and transportation, including train, bus, etc., that did not involve overnight travel or commuting to and from work	2 2,598.	
3 Travel expense while away from home overnight, including lodging, airplane, car rental, etc. Do not include meals and entertainment	3	
4 Business expenses not included on lines 1 through 3. Do not include meals and entertainment	4	
5 Meals and entertainment expenses (see instructions)	5	
6 Total expenses. In Column A, add lines 1 through 4 and enter the result. In Column B, enter the amount from line 5	6 2,598.	

Note: If you were not reimbursed for any expenses in Step 1, skip line 7 and enter the amount from line 6 on line 8.**Step 2 Enter Reimbursements Received From Your Employer for Expenses Listed in Step 1**

7 Enter reimbursements received from your employer that were not reported to you in box 1 of Form W-2. Include any reimbursements reported under code "L" in box 12 of your Form W-2 (see instructions)	7	
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Step 3 Figure Expenses To Deduct on Schedule A (Form 1040 or Form 1040NR)

8 Subtract line 7 from line 6. If zero or less, enter -0-. However, if line 7 is greater than line 6 in Column A, report the excess as income on Form 1040, line 7 (or on Form 1040NR, line 8)	8 2,598.	
Note: If both columns of line 8 are zero, you cannot deduct employee business expenses. Stop here and attach Form 2106 to your return.		
9 In Column A, enter the amount from line 8. In Column B, multiply line 8 by 50% (.50). (Employees subject to Department of Transportation (DOT) hours of service limits: Multiply meal expenses incurred while away from home on business by 80% (.80) instead of 50%. For details, see instructions.)	9 2,598.	
10 Add the amounts on line 9 of both columns and enter the total here. Also, enter the total on Schedule A (Form 1040), line 21 (or on Schedule A (Form 1040NR), line 9). (Reservists, qualified performing artists, fee-basis state or local government officials, and individuals with disabilities: See the instructions for special rules on where to enter the total.)	10	2,598.

LHA For Paperwork Reduction Act Notice, see instructions.

Form 2106 (2008)

Part II Vehicle Expenses**Section A - General Information** (You must complete this section if you are claiming vehicle expenses.)

	(a) Vehicle	(b) Vehicle
11 Enter the date the vehicle was placed in service	11	
12 Total miles the vehicle was driven during 2008	12 miles	miles
13 Business miles included on line 12	13 miles	miles
14 Percent of business use. Divide line 13 by line 12	14 %	%
15 Average daily roundtrip commuting distance	15 miles	miles
16 Commuting miles included on line 12	16 miles	miles
17 Other miles. Add lines 13 and 16 and subtract the total from line 12	17 miles	miles
18 Was your vehicle available for personal use during off-duty hours?	<input type="checkbox"/> Yes <input type="checkbox"/> No	

19 Do you (or your spouse) have another vehicle available for personal use? ☐ Yes ☐ No

20 Do you have evidence to support your deduction? ☐ Yes ☐ No

21 If "Yes," is the evidence written? ☐ Yes ☐ No

Section B - Standard Mileage Rate (See the instructions for Part II to find out whether to complete this section or Section C.)

22a Multiply business miles driven before July 1, 2008, by 50.5¢ (.505)	22a	
b Multiply business miles driven after June 30, 2008, by 58.5¢ (.585)	22b	
c Add lines 22a and 22b. Enter the result here and on line 1		22c

Section C - Actual Expenses

	(a) Vehicle	(b) Vehicle
23 Gasoline, oil, repairs, vehicle insurance, etc.	23	
24a Vehicle rentals	24a	
b Inclusion amount (see instructions)	24b	
c Subtract line 24b from line 24a	24c	
25 Value of employer-provided vehicle (applies only if 100% of annual lease value was included on Form W-2--see instructions)	25	
26 Add lines 23, 24c, and 25	26	
27 Multiply line 26 by the percentage on line 14	27	
28 Depreciation (see instructions)	28	
29 Add lines 27 and 28. Enter total here and on line 1	29	

Section D - Depreciation of Vehicles (Use this section only if you owned the vehicle and are completing Section C for the vehicle.)

	(a) Vehicle	(b) Vehicle
30 Enter cost or other basis (see instructions)	30	
31 Enter section 179 deduction and special allowance (see instructions)	31	
32 Multiply line 30 by line 14 (see instructions if you claimed the section 179 deduction or special allowance)	32	
33 Enter depreciation method and percentage (see instructions)	33	
34 Multiply line 32 by the percentage on line 33 (see instructions)	34	
35 Add lines 31 and 34	35	
36 Enter the applicable limit explained in the line 36 instructions	36	
37 Multiply line 36 by the percentage on line 14	37	
38 Enter the smaller of line 35 or line 37. If you skipped lines 36 and 37, enter the amount from line 35. Also enter this amount on line 28 above	38	

Form **2106** (2008)

Employee Business Expenses

▶ See separate instructions.

▶ Attach to Form 1040 or Form 1040NR.

2008Attachment
Sequence No. **129**

Your name

RAFAEL E CRUZ

Occupation in which you incurred expenses

ATTORNEY

Social security number

Part I Employee Business Expenses and Reimbursements**Step 1 Enter Your Expenses**

	Column A Other Than Meals and Entertainment	Column B Meals and Entertainment
1 Vehicle expense from line 22c or line 29. (Rural mail carriers: See instructions.) ...	1	
2 Parking fees, tolls, and transportation, including train, bus, etc., that did not involve overnight travel or commuting to and from work	2	60.
3 Travel expense while away from home overnight, including lodging, airplane, car rental, etc. Do not include meals and entertainment	3	
4 Business expenses not included on lines 1 through 3. Do not include meals and entertainment SEE STATEMENT 22	4	3,876.
5 Meals and entertainment expenses (see instructions)	5	
6 Total expenses. In Column A, add lines 1 through 4 and enter the result. In Column B, enter the amount from line 5	6	3,936.

Note: If you were not reimbursed for any expenses in Step 1, skip line 7 and enter the amount from line 6 on line 8.**Step 2 Enter Reimbursements Received From Your Employer for Expenses Listed in Step 1**

7 Enter reimbursements received from your employer that were not reported to you in box 1 of Form W-2. Include any reimbursements reported under code "L" in box 12 of your Form W-2 (see instructions)	7	
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Step 3 Figure Expenses To Deduct on Schedule A (Form 1040 or Form 1040NR)

8 Subtract line 7 from line 6. If zero or less, enter -0-. However, if line 7 is greater than line 6 in Column A, report the excess as income on Form 1040, line 7 (or on Form 1040NR, line 8)	8	3,936.
Note: If both columns of line 8 are zero, you cannot deduct employee business expenses. Stop here and attach Form 2106 to your return.		
9 In Column A, enter the amount from line 8. In Column B, multiply line 8 by 50% (.50). (Employees subject to Department of Transportation (DOT) hours of service limits: Multiply meal expenses incurred while away from home on business by 80% (.80) instead of 50%. For details, see instructions.)	9	3,936.
10 Add the amounts on line 9 of both columns and enter the total here. Also, enter the total on Schedule A (Form 1040), line 21 (or on Schedule A (Form 1040NR), line 9). (Reservists, qualified performing artists, fee-basis state or local government officials, and individuals with disabilities: See the instructions for special rules on where to enter the total.)	10	3,936.

LHA For Paperwork Reduction Act Notice, see instructions.

Form 2106 (2008)

Part II Vehicle Expenses**Section A - General Information** (You must complete this section if you are claiming vehicle expenses.)

	(a) Vehicle	(b) Vehicle
11 Enter the date the vehicle was placed in service	11	
12 Total miles the vehicle was driven during 2008	12 miles	miles
13 Business miles included on line 12	13 miles	miles
14 Percent of business use. Divide line 13 by line 12	14 %	%
15 Average daily roundtrip commuting distance	15 miles	miles
16 Commuting miles included on line 12	16 miles	miles
17 Other miles. Add lines 13 and 16 and subtract the total from line 12	17 miles	miles
18 Was your vehicle available for personal use during off-duty hours?	<input type="checkbox"/> Yes <input type="checkbox"/> No	

19 Do you (or your spouse) have another vehicle available for personal use? ☐ Yes ☐ No

20 Do you have evidence to support your deduction? ☐ Yes ☐ No

21 If "Yes," is the evidence written? ☐ Yes ☐ No

Section B - Standard Mileage Rate (See the instructions for Part II to find out whether to complete this section or Section C.)

22a Multiply business miles driven before July 1, 2008, by 50.5¢ (.505)	22a	
b Multiply business miles driven after June 30, 2008, by 58.5¢ (.585)	22b	
c Add lines 22a and 22b. Enter the result here and on line 1	22c	

Section C - Actual Expenses

	(a) Vehicle	(b) Vehicle
23 Gasoline, oil, repairs, vehicle insurance, etc.	23	
24a Vehicle rentals	24a	
b Inclusion amount (see instructions)	24b	
c Subtract line 24b from line 24a	24c	
25 Value of employer-provided vehicle (applies only if 100% of annual lease value was included on Form W-2--see instructions)	25	
26 Add lines 23, 24c, and 25	26	
27 Multiply line 26 by the percentage on line 14	27	
28 Depreciation (see instructions)	28	
29 Add lines 27 and 28. Enter total here and on line 1	29	

Section D - Depreciation of Vehicles (Use this section only if you owned the vehicle and are completing Section C for the vehicle.)

	(a) Vehicle	(b) Vehicle
30 Enter cost or other basis (see instructions)	30	
31 Enter section 179 deduction and special allowance (see instructions)	31	
32 Multiply line 30 by line 14 (see instructions if you claimed the section 179 deduction or special allowance)	32	
33 Enter depreciation method and percentage (see instructions)	33	
34 Multiply line 32 by the percentage on line 33 (see instructions)	34	
35 Add lines 31 and 34	35	
36 Enter the applicable limit explained in the line 36 instructions	36	
37 Multiply line 36 by the percentage on line 14	37	
38 Enter the smaller of line 35 or line 37. If you skipped lines 36 and 37, enter the amount from line 35. Also enter this amount on line 28 above	38	

Form 2106 (2008)



FORM 1040	MISCELLANEOUS INCOME	STATEMENT	1
DESCRIPTION		AMOUNT	
THE FEDERALIST SOCIETY		2,500.	
GOLDMAN SACHS - SUBSTITUTE PAYMENTS		1,066.	
TOTAL TO FORM 1040, LINE 21		3,566.	

FORM 1040 PERSONAL EXEMPTION WORKSHEET STATEMENT 2

1. IS THE AMOUNT ON FORM 1040, LINE 38, MORE THAN THE AMOUNT SHOWN ON LINE 4 BELOW FOR YOUR FILING STATUS?
 NO. STOP. MULTIPLY \$3,500 BY THE TOTAL NUMBER OF EXEMPTIONS CLAIMED ON FORM 1040, LINE 6D, AND ENTER THE RESULT ON LINE 42.
 YES. CONTINUE
2. MULTIPLY \$3,500 BY THE TOTAL NUMBER OF EXEMPTIONS CLAIMED ON FORM 1040, LINE 6D 7,000.
3. ENTER THE AMOUNT FROM FORM 1040, LINE 38 780,198.
4. ENTER THE AMOUNT FOR YOUR FILING STATUS 239,950.
 SINGLE \$159,950
 MARRIED FILING JOINTLY OR WIDOW(ER) \$239,950
 MARRIED FILING SEPARATELY \$119,975
 HEAD OF HOUSEHOLD \$199,950
5. SUBTRACT LINE 4 FROM LINE 3 540,248.
6. IS LINE 5 MORE THAN \$122,500 (\$61,250 IF MARRIED FILING SEPARATELY)?
 [X] YES. MULTIPLY \$2,333 BY THE TOTAL NUMBER OF EXEMPTIONS CLAIMED ON FORM 1040, LINE 6D. ENTER THE RESULT HERE AND ON FORM 1040, LINE 42. DO NOT COMPLETE THE REST OF THIS WORKSHEET.
 [] NO. DIVIDE LINE 5 BY \$2,500 (\$1,250 IF MARRIED FILING SEPARATELY). IF THE RESULT IS NOT A WHOLE NUMBER, INCREASE IT TO THE NEXT WHOLE NUMBER (FOR EXAMPLE, INCREASE 0.0004 TO 1) 4,666.
7. MULTIPLY LINE 6 BY 2% (.02) AND ENTER THE RESULT AS A DECIMAL
8. MULTIPLY LINE 2 BY LINE 7
9. DIVIDE LINE 8 BY 3
10. SUBTRACT LINE 9 FROM LINE 2. TOTAL TO FORM 1040, LINE 42.

FORM 1040 TAX-EXEMPT INTEREST STATEMENT 3

NAME OF PAYER	AMOUNT
GOLDMAN SACHS	4,717.
TOTAL TO FORM 1040, LINE 8B	4,717.



FORM 1040	STUDENT LOAN INTEREST DEDUCTION	STATEMENT	4
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1. ENTER THE TOTAL INTEREST PAID IN 2008 ON QUALIFIED STUDENT LOANS. DO NOT ENTER MORE THAN \$2,500 1,952.
2. ENTER THE AMOUNT FROM FORM 1040, LINE 22 803,550.
3. ENTER THE TOTAL OF THE AMOUNTS FROM FORM 1040, LINES 23 THROUGH 32 PLUS ANY WRITE-IN ADJUSTMENTS YOU ENTERED ON THE DOTTED LINE NEXT TO LINE 36 23,352.
4. SUBTRACT LINE 3 FROM LINE 2 780,198.
5. ENTER THE AMOUNT SHOWN BELOW FOR YOUR FILING STATUS.
 * SINGLE, HEAD OF HOUSEHOLD, OR QUALIFYING WIDOW(ER)-\$55,000
 * MARRIED FILING JOINTLY-\$115,000 115,000.
6. IS THE AMOUNT ON LINE 4 MORE THAN THE AMOUNT ON LINE 5?
 [] NO. SKIP LINES 6 AND 7, ENTER -0- ON LINE 8, AND GO TO LINE 9
 [X] YES. SUBTRACT LINE 5 FROM LINE 4 665,198.
7. DIVIDE LINE 6 BY \$15,000 (\$30,000 IF MARRIED FILING JOINTLY). ENTER THE RESULT AS A DECIMAL (ROUNDED TO AT LEAST THREE PLACES). IF THE RESULT IS 1.000 OR MORE, ENTER 1.000 1.000
8. MULTIPLY LINE 1 BY LINE 7. 1,952.
9. STUDENT LOAN INTEREST DEDUCTION. SUBTRACT LINE 8 FROM LINE 1. ENTER THE RESULT HERE AND ON FORM 1040, LINE 33 0.

FORM 1040	WAGES RECEIVED AND TAXES WITHHELD	STATEMENT	5
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T S EMPLOYER'S NAME	AMOUNT PAID	FEDERAL TAX WITHHELD	STATE TAX WITHHELD	CITY SDI TAX W/H	FICA TAX	MEDICARE TAX
T OFFICE OF THE ATTORNEY GENERAL	74,096.	14,062.			4,832.	1,130.
S GOLDMAN, SACHS & CO.	286,444.	72,175.			6,324.	4,378.
T THE UNIVERSITY OF TEXAS AT AUSTIN	7,500.	417.			465.	109.
TOTALS	368,040.	86,654.			11,621.	5,617.



FORM 1040	QUALIFIED DIVIDENDS	STATEMENT	6
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NAME OF PAYER	ORDINARY DIVIDENDS	QUALIFIED DIVIDENDS
GOLDMAN SACHS	2,897.	2,897.
TOTAL INCLUDED IN FORM 1040, LINE 9B		2,897.

SCHEDULE A	CASH CONTRIBUTIONS	STATEMENT	7
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DESCRIPTION	AMOUNT 100% LIMIT	AMOUNT 50% LIMIT	AMOUNT 30% LIMIT
VARIOUS CHARITIES		5,190.	
SUBTOTALS		5,190.	
TOTAL TO SCHEDULE A, LINE 16			5,190.



SCHEDULE A	ITEMIZED DEDUCTIONS WORKSHEET	STATEMENT	8
1.	ENTER THE TOTAL OF THE AMOUNTS FROM SCHEDULE A, LINES 4, 9, 15, 19, 20, 27, AND 28	122,921.	
2.	ENTER THE TOTAL OF THE AMOUNTS FROM SCHEDULE A, LINES 4, 14, AND 20, PLUS ANY GAMBLING AND CASUALTY OR THEFT LOSSES INCLUDED ON LINE 28. ALSO INCLUDE IN THE TOTAL ANY AMOUNT INCLUDED ON SCHEDULE A, LINE 16, THAT YOU ELECTED TO TREAT AS QUALIFIED CONTRIBUTIONS FOR RELIEF EFFORTS IN A MIDWESTERN DISASTER AREA	0.	
3.	IS THE AMOUNT ON LINE 2 LESS THAN THE AMOUNT ON LINE 1? IF NO, YOUR DEDUCTION IS NOT LIMITED. ENTER THE AMOUNT FROM LINE 1 ABOVE ON SCHEDULE A, LINE 29. IF YES, SUBTRACT LINE 2 FROM LINE 1	122,921.	
4.	MULTIPLY LINE 3 BY 80% (.80)	98,337.	
5.	ENTER THE AMOUNT FROM FORM 1040, LINE 38.	780,198.	
6.	ENTER: \$159,950 (\$79,975 IF MARRIED FILING SEPARATELY)	159,950.	
7.	IS THE AMOUNT ON LINE 6 LESS THAN THE AMOUNT ON LINE 5? IF NO, YOUR DEDUCTION IS NOT LIMITED. ENTER THE AMOUNT FROM LINE 1 ABOVE ON SCHEDULE A, LINE 29. IF YES, SUBTRACT LINE 6 FROM LINE 5	620,248.	
8.	MULTIPLY LINE 7 BY 3% (.03)	18,607.	
9.	ENTER THE SMALLER OF LINE 4 OR LINE 8	18,607.	
10.	DIVIDE LINE 9 BY 1.5	12,405.	
11.	SUBTRACT LINE 10 FROM LINE 9	6,202.	
12.	TOTAL ITEMIZED DEDUCTIONS. SUBTRACT LINE 11 FROM LINE 1. ENTER THE RESULT HERE AND ON SCHEDULE A, LINE 29	116,719.	

SCHEDULE B	TAX-EXEMPT INTEREST	STATEMENT	9
NAME OF PAYER		AMOUNT	
GOLDMAN SACHS		4,717.	
TOTAL TAX-EXEMPT INTEREST TO SCHEDULE B, LINE 1		4,717.	



SCHEDULE D	CAPITAL LOSS CARRYOVER	STATEMENT 10
1. ENTER THE AMOUNT FROM FORM 1040, LINE 41		663,479.
2. ENTER THE LOSS FROM SCHEDULE D, LINE 21, AS A POSITIVE AMOUNT.		3,000.
3. COMBINE LINES 1 AND 2. IF ZERO OR LESS, ENTER -0-		666,479.
4. ENTER THE SMALLER OF LINE 2 OR LINE 3		3,000.
5. ENTER THE LOSS FROM SCHEDULE D, LINE 7, AS A POSITIVE AMOUNT .		14,381.
6. ENTER THE GAIN, IF ANY, FROM SCHEDULE D, LINE 15		
7. ADD LINES 4 AND 6		3,000.
8. SHORT-TERM CAPITAL LOSS CARRYOVER TO 2009. SUBTRACT LINE 7 FROM LINE 5. IF ZERO OR LESS, ENTER -0- . . .		11,381.
9. ENTER THE LOSS FROM SCHEDULE D, LINE 15, AS A POSITIVE AMOUNT.		3,147.
10. ENTER THE GAIN, IF ANY, FROM SCHEDULE D, LINE 7		
11. SUBTRACT LINE 5 FROM LINE 4. IF ZERO OR LESS, ENTER -0-		
12. ADD LINES 10 AND 11		
13. LONG-TERM CAPITAL LOSS CARRYOVER TO 2009. SUBTRACT LINE 12 FROM LINE 9. IF ZERO OR LESS, ENTER -0- . .		3,147.

SCHEDULE E	OTHER EXPENSES	STATEMENT 11
CONDO - 3333 ALLEN PKWY UNIT 2606, HOUSTON, TX 77019		
DESCRIPTION		AMOUNT
HOMEOWNERS' ASSOC DUES		1,089.
TOTAL TO SCHEDULE E, PAGE 1, LINE 18		1,089.

SCHEDULE SE	NON-FARM INCOME	STATEMENT 12
DESCRIPTION		AMOUNT
MORGAN LEWIS		507,146.
THE FEDERALIST SOCIETY		2,500.
TOTAL TO SCHEDULE SE, LINE 2		509,646.

FORM 8582 ACTIVE RENTAL OF REAL ESTATE - WORKSHEET 1 STATEMENT 13

NAME OF ACTIVITY	CURRENT YEAR		PRIOR YEAR UNALLOWED LOSS	OVERALL GAIN OR LOSS	
	NET INCOME	NET LOSS		GAIN	LOSS
CONDO - 3333 ALLEN PKWY UNIT 2606, HOUSTON, TX 77019	0.	<7,651.>			<7,651.>
RENTAL HOUSE - 1510 HARTFORD RD, AUSTIN, TX 78703	0.	<16,654.>			<16,654.>
TOTALS	0.	<24,305.>			<24,305.>

FORM 8582 ALLOCATION OF UNALLOWED LOSSES - WORKSHEET 5 STATEMENT 14

NAME OF ACTIVITY	FORM OR SCHEDULE	LOSS	RATIO	UNALLOWED LOSS
CONDO - 3333 ALLEN PKWY UNIT 2606, HOUSTON, TX 77019	SCH E	7,651.	.314791195	7,651.
RENTAL HOUSE - 1510 HARTFORD RD, AUSTIN, TX 78703	SCH E	16,654.	.685208805	16,654.
TOTALS		24,305.	1.000000000	24,305.

FORM 8582 ALLOWED LOSSES - WORKSHEET 6 STATEMENT 15

NAME OF ACTIVITY	FORM OR SCHEDULE	LOSS	UNALLOWED LOSS	ALLOWED LOSS
CONDO - 3333 ALLEN PKWY UNIT 2606, HOUSTON, TX 77019	SCH E	7,651.	7,651.	
RENTAL HOUSE - 1510 HARTFORD RD, AUSTIN, TX 78703	SCH E	16,654.	16,654.	
TOTALS		24,305.	24,305.	



FORM 8582

SUMMARY OF PASSIVE ACTIVITIES

STATEMENT 16

R R E A	NAME	FORM OR SCHEDULE	GAIN/LOSS	PRIOR YEAR C/O	NET GAIN/LOSS	UNALLOWED LOSS	ALLOWED LOSS
X	CONDO - 3333 ALLEN PKWY UNIT 2606, HOUSTON, TX	SCH E	<7,651.>		<7,651.>	7,651.	
X	RENTAL HOUSE - 1510 HARTFORD RD, AUSTIN, TX 78703	SCH E	<16,654.>		<16,654.>	16,654.	
TOTALS			<24,305.>		<24,305.>	24,305.	
PRIOR YEAR CARRYOVERS ALLOWED DUE TO CURRENT YEAR NET ACTIVITY INCOME							
TOTAL TO FORM 8582, LINE 16							



FORM 8582

MODIFIED AGI

STATEMENT 17

INCOME

WAGES, SALARIES, TIPS ETC.		368,040.
DIVIDEND INCOME		2,954.
TAXABLE REFUNDS		
ALIMONY RECEIVED		
TAXABLE IRA DISTRIBUTIONS		
TAXABLE PENSIONS AND ANNUITIES		
UNEMPLOYMENT COMPENSATION		
OTHER INCOME		3,566.
INTEREST INCOME	827.	
ADD: SERIES EE AND I EXCLUSION		
		827.
BUSINESS INCOME OR LOSS		
ADD: PASSIVE LOSSES		
SUBTRACT: PASSIVE INCOME		
SALE OF ASSETS (BEFORE CAPITAL LOSS LIMITATION)	<17,528.>	
ADD: PASSIVE/RREA PROFESSIONAL LOSSES		
SUBTRACT: PASSIVE INCOME		
	LIMITED	<3,000.>
RENTAL, ROYALTY OR PASSTHROUGH INCOME OR LOSS	431,163.	
ADD: PASSIVE/RREA PROFESSIONAL LOSSES		
SUBTRACT: PASSIVE INCOME		
		431,163.
FARM OR FARM RENTAL INCOME OR LOSS		
ADD: PASSIVE/RREA PROFESSIONAL LOSSES		
SUBTRACT: PASSIVE INCOME		
TOTAL INCOME		803,550.

ADJUSTMENTS

MOVING EXPENSES		
SELF-EMPLOYED HEALTH INSURANCE DEDUCTION		
PENALTY ON EARLY WITHDRAWAL OF SAVINGS		
ALIMONY PAID		
KEOGH/SEP DEDUCTION	15,500.	
OTHER ADJUSTMENTS		
TOTAL ADJUSTMENTS		15,500.
TOTAL TO FORM 8582, LINE 7		788,050.

FORM 8582

ALTERNATIVE MINIMUM TAX
ACTIVE RENTAL OF REAL ESTATE - WORKSHEET 1

STATEMENT 18

NAME OF ACTIVITY	CURRENT YEAR		PRIOR YEAR UNALLOWED LOSS	OVERALL GAIN OR LOSS	
	NET INCOME	NET LOSS		GAIN	LOSS
CONDO - 3333 ALLEN PKWY UNIT 2606, HOUSTON, TX 77019	0.	<7,651.>			<7,651.>
RENTAL HOUSE - 1510 HARTFORD RD, AUSTIN, TX 78703	0.	<16,654.>			<16,654.>
TOTALS	0.	<24,305.>			<24,305.>

FORM 8582

ALTERNATIVE MINIMUM TAX
ALLOCATION OF UNALLOWED LOSSES - WORKSHEET 5

STATEMENT 19

NAME OF ACTIVITY	FORM OR SCHEDULE	LOSS	RATIO	UNALLOWED LOSS
CONDO - 3333 ALLEN PKWY UNIT 2606, HOUSTON, TX 77019	SCH E	7,651.	.314791195	7,651.
RENTAL HOUSE - 1510 HARTFORD RD, AUSTIN, TX 78703	SCH E	16,654.	.685208805	16,654.
TOTALS		24,305.	1.000000000	24,305.

FORM 8582

ALTERNATIVE MINIMUM TAX
ALLOWED LOSSES - WORKSHEET 6

STATEMENT 20

NAME OF ACTIVITY	FORM OR SCHEDULE	LOSS	UNALLOWED LOSS	ALLOWED LOSS
CONDO - 3333 ALLEN PKWY UNIT 2606, HOUSTON, TX 77019	SCH E	7,651.	7,651.	
RENTAL HOUSE - 1510 HARTFORD RD, AUSTIN, TX 78703	SCH E	16,654.	16,654.	
TOTALS		24,305.	24,305.	



FORM 8582AMT SUMMARY OF PASSIVE ACTIVITIES - AMT STATEMENT 21

R R E A	NAME	FORM OR SCHEDULE	GAIN/LOSS	PRIOR YEAR C/O	NET GAIN/LOSS	UNALLOWED LOSS	ALLOWED LOSS
X	CONDO - 3333 ALLEN PKWY UNIT 2606, HOUSTON, TX	SCH E	<7,651.>		<7,651.>	7,651.	
X	RENTAL HOUSE - 1510 HARTFORD RD, AUSTIN, TX 78703	SCH E	<16,654.>		<16,654.>	16,654.	
TOTALS			<24,305.>		<24,305.>	24,305.	
PRIOR YEAR CARRYOVERS ALLOWED DUE TO CURRENT YEAR NET ACTIVITY INCOME							
TOTAL TO FORM 8582AMT, LINE 16							

FORM 2106/SBE OTHER BUSINESS EXPENSES STATEMENT 22

ATTORNEY

DESCRIPTION	AMOUNT
DUES AND SUBSCRIPTIONS	2,307.
FAX AND INTERNET	1,569.
TOTAL TO FORM 2106/SBE, PART I, LINE 4	3,876.